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DEPARTMENT OF NATURAL RESOURCES
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September 17, 1992

To: Minerals File

From: Holland Shepherd, Senior Reclamation Specialist *HS*

Re: Meeting Concerning Non-Compliance Issue at Pagano Clay Project, S/015/062, Emery County, Utah

Date of Meeting: September 11, 1992
Meeting Time: 11:00am-12:00n
Location: DOGM HQ
Participants: Harold Marston, operator; Wayne Hedberg, Holland Shepherd, DOGM

As a result of an inspection on Sept. 2, 1992, the Division decided to issue a NON to Harold Marston, operator of the Pagano Clay Project. The mine was given SMO status earlier this year. The operation has since expanded well beyond the 5 acre limit allowed. The operator had not filed for LMO status, at the time of inspection, and has yet to do so. Other issues are also present at the site. The operator has impacted the stream channel associated with the Price River and needs to resolve the problem with this Division and the Division of Water Rights.

I called Mr. Marston earlier on Sept. 11, 1992, and explained that the Division would be issuing the NON. Mr. Marston met with Division staff the same day to discuss mitigation of the situation.

Mr. Marston indicated that he did know the site disturbance was beyond the 5 acre limit, but that development had progressed so fast he had not had time to refile. He also mentioned that he was knowledgeable about the impacts to the stream channel. Apparently, the contractor had gotten carried away with mine expansion and had not paid close enough attention to mining activity in the proximity of the stream channel.

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Mr. Marston indicated that he would start work immediately on submittal of Large Mine application. He would also submit an interim bond for @ \$30,000. This amount we agreed is based on the @ disturbed acreage of 10 acres, at \$3,000/acre. The deadlines set for these submittals is October 15, 1992, as we discussed at the meeting and specified in the NON.

We also discussed the necessity of incorporating a mitigation plan into the LMO Notice/Plan, which would address the situation with the Price River stream channel disturbance.

Mr. Marston also indicated at the meeting that he hoped to sell the mine to East Carbon Development Company, and that the transfer might take place at the time the other paper work for the LMO is being resolved.

cc: Harold Marston, Operator